

1 HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

2 Minutes of the Board of Trustees

3 Administrative Committee Meeting

4 March 7, 2002

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7 TRUSTEES PRESENT: Ms. Kathryn S. Matayoshi, Chairperson
8 Ms. Audrey Hidano
9 Mr. Jim Williams
10 Mr. Jimmy Yasuda (Arrived at 9:15 a.m.)
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12 HEUHBTF STAFF: Mr. Tracy Ban
13 Ms. Lynette Fukunaga
14 Ms. Shirley Kawamoto
15 Ms. Wanda Kimura
16 Mr. Gary Sanehira
17 Ms. Karen Tom
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19 ATTORNEY: Mr. Brian Aburano, Deputy Attorney General
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21 GUESTS: Ms. Jean Aoki - HSTRA
22 Ms. Lynette Arakawa - HDS
23 Mr. George Butterfield - HSTA-Retired
24 Ms. Alana Deppe-Mariota - Kaiser Permanente
25 Ms. Monica Engle - Vision Service Plan
26 Mr. Charles Khim
27 Ms. Karen Momono - Royal State
28 Ms. Sarah Moriyama - ORTA
29 Mr. Rod Tam - HMSA
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31 I. CALL TO ORDER

32 The meeting of the Administrative Committee was called to order at 9:05 a.m. by
33 Chairperson Kathryn Matayoshi in Conference Room 303, No. 1 Capitol District
34 Building, 250 South Hotel Street, Honolulu, Hawaii, on March 7, 2002.
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36 II. APPROVAL OF MINUTES

37 Motion to approve the minutes of February 27, 2002. (Hidano/Williams)

38 Discussion: None.

39 Vote: Unanimously approved as submitted.
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41 III. OLD BUSINESS

42 A. Amendments to Chapter 87A (operational ease)

43 Motion to make a recommendation to the board to submit proposed
44 amendments to the Legislature. (Williams/Hidano)

45 Discussion: Amendments proposed (Attached is a draft submitted to the Board):

46 1. §87A-1, HRS, to redefine part-time, temporary and seasonal or casual
47 employee;

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2. §87A-7, HRS, to allow for additional officers;
3. §87A-11(c), HRS, to supersede a 2/3 or unanimous voting requirement with a two vote requirement as provided in subsection (b);
4. §87A-11(d), HRS, to move dispute resolution provisions from subsection (c);
5. §87A-11(e), HRS, to allow for separate discussions by the employer and the employee-beneficiary trustees prior to a vote on a motion or action that are not subject to Chapter 92, HRS;

RECESS: 9:10 a.m. to 9:12 a.m.

6. §87A-24(4), HRS, to allow for contracting with a third party administrator, not subject to Section 2 of Act 90, SLH 2001; and
 7. Adding a new §87A-24(10), HRS, to form or use standing and special committees or sub-committees.
- Vote: Unanimously passed.

RECESS: 10:34 a.m. to 10:47 a.m.

B. TPA vs. In-House administration

This item deferred. A copy of the Hunter Group contract and response to the Health Fund's RFP was requested for discussion purposes.

C. Hiring of Administrator/Executive Director

The Committee reviewed the position descriptions included in the February 5, 2002 board packet. The recruitment process and possible methods of recruitment were discussed. Staff was asked to research membership in the International Foundation of Employee Benefit Plans (IFEBP) and the chair will request adding this item to the Board's March 12, 2002 agenda. Staff was asked to redraft the position descriptions and prepare a draft to advertise the positions. Staff was also asked to identify local and national search firms and costs as well as provide a recommendation on where to advertise.

Summary of the recruitment process:

- 1.a. Committee develops position description and establishes salary range
 - Duties and responsibilities
 - Qualifications
- b. Committee develops selection criteria
- c. Board obtains governor's approval to establish and fill the position
- 2.a. Committee develops and places recruitment advertisements
 - Locally and nationally
 - Internet
- b. Board procures an executive search firm (local and national)
- c. Committee conducts an informal search for local qualified candidates

3. Committee screens resumes for minimum qualifications.
Committee screens resumes for interview.
4. Committee interviews candidates.
5. Committee reports to Board on finalist(s) for consideration.
6. Board interviews finalist(s).
7. Board makes final selection.

D. Retention of Advisors (benefit consultants, investment firms/managers, etc.)
This agenda item was deferred to the next meeting. As a starting point, the chair asked staff to provide a copy of the scope of work for the existing consultant for the Health Fund.

E. Proposed Legislation Affecting the EUTF
This item was deferred to the next meeting.

IV. MISCELLANEOUS

A. Today's packet included Questions that the EUTF Board Chair will be forwarding to the Chair of the Public Employees Health Fund (PEHF). Members should notify the chair of any omissions by the end of the day.

B. The chair requested the staff to summarize efforts made by the Health Fund in terms of HIPAA compliance; i.e., summaries of activities and status.

C. Documents for the committee should be notated with "draft" and "date."

V. NEXT MEETING

Thursday, March 14, 2002, 9 a.m. to 1 p.m. The agenda for the next meeting will include discussion of Agenda Item II.E. - Proposed Legislation Affecting the EUTF. The chair asked staff to take off bills that did not crossover.

VI. ADJOURNMENT

Motion to adjourn. (Williams/Hidano)

Discussion: None.

Vote: Unanimously passed.

Meeting adjourned at 11:50 a.m.

Respectfully submitted,

Kathryn Matayoshi, Chairperson

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2 APPROVED AS CORRECTED

3 on March 14, 2002.

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5 DOCUMENTS DISTRIBUTED:

6 1. Minutes for February 27, 2002. (3 pages)

7 2. Draft questions for the Public Employees Health Fund (PEHF) regarding current
8 operational status and transition to the Hawaii Employer-Union Health Benefits Trust
9 Fund (EUTF). (2 pages)

10 3. Draft Amendments to Chapter 87A, HRS. (2 pages)

11 4. Job Title Summary Descriptions – Hawaii Employer Council (HEC) Summary.
12 (6 pages)

13 5. Specifications, Proposal Format and Requirements, and Proposal Evaluation Factors.
14 (8 pages)